GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1953
ANSWERED ON:11.12.2008
PROFIT EARNED BY PRIVATE SECTOR PETROLEUM PRODUCTS REFINING COMPANIES
Pandey Dr. Laxminarayan

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government is aware of the fact that the private sector petroleum products refining companies are earning huge profits in India;

(b) if so, the manner in which the Government has made an assessment in regard to huge profits being accrued by such companies;

(c) the details thereof;

(d) whether the Government is contemplating to impose any kind of tax or windfall tax on these companies keeping in view of the accrual of such a huge profit by them; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a) to (c): Out of two private sector refining companies, namely, Reliance Industries Limited(RIL) and Essar Oil Limited(EOL) , the RIL has posted profits (before interest & taxes) amounting to Rs.7722.59 crore and Rs.10372.76 crore during 2006-07 and 2007-08 respectively. EOL has posted losses(before tax) amounting to Rs. 54.55 crore and Rs.44.09 crore during 2006-07 and 2007-08 respectively.

(d) and (e): At present there is no such proposal under consideration.